

111TH CONGRESS  
1ST SESSION

# S. 1724

To establish a competitive grant program in the Department of Justice to be administered by the Bureau of Justice Assistance which shall assist local criminal prosecutor's offices in investigating and prosecuting crimes of real estate fraud.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29, 2009

Mr. SCHUMER (for himself, Mr. KYL, Mr. WHITEHOUSE, and Mr. REED) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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## A BILL

To establish a competitive grant program in the Department of Justice to be administered by the Bureau of Justice Assistance which shall assist local criminal prosecutor's offices in investigating and prosecuting crimes of real estate fraud.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Fighting Real Estate  
5       Fraud Act of 2009”.

1   **SEC. 2. GRANTS.**

2           (a) IN GENERAL.—The Attorney General is author-  
3 ized to make grants on a competitive basis through the  
4 Bureau of Justice Assistance in accordance with the for-  
5 mula established in section 5 of this Act, to States, units  
6 of local government, and Indian tribal governments (re-  
7 ferred to in this Act as the “applicant”) for the purpose  
8 of assisting the offices of State and local criminal prosecu-  
9 tors in investigating and prosecuting real estate fraud.

10          (b) REAL ESTATE FRAUD.—In this Act, the term  
11 “real estate fraud” includes crimes involving purposeful  
12 misrepresentations, forgeries, omissions to general appli-  
13 cations, tax returns, financial statements, appraisals and  
14 valuations, verifications of deposit and employment, es-  
15 crow and closing documents, credit reports, and any ac-  
16 tions that may defraud a secured creditor.

17   **SEC. 3. APPLICATIONS.**

18           (a) IN GENERAL.—Each applicant desiring a grant  
19 under this Act shall submit an application to the Attorney  
20 General at such time, in such a manner, and accompanied  
21 by such information as the Attorney General may reason-  
22 ably require.

23           (b) CONTENTS.—Each application submitted pursu-  
24 ant to subsection (a) shall—

25               (1) describe the activities for which assistance  
26               under this Act is sought;

1           (2) include information determined by the At-  
2           torney General to be relevant in demonstrating the  
3           applicant's need for funding;

4           (3) attest that funds shall go only to the hiring,  
5           training, and employing of staff dedicated to the in-  
6           vestigation and prosecution of real estate fraud; and

7           (4) provide such additional assurances as the  
8           Attorney General determines to be essential to en-  
9           sure compliance with the requirements of this Act.

10 **SEC. 4. LIMITS ON FUNDING.**

11       Funds received pursuant to a grant under this Act  
12 may not be expended to offset a reduction in any other  
13 source of funds.

14 **SEC. 5. FORMULA.**

15       (a) ALLOCATION BETWEEN STATES AND UNITS OF  
16 LOCAL GOVERNMENT AND INDIAN TRIBAL GOVERN-  
17 MENTS.—Of the amounts authorized to be appropriated  
18 under section 8—

19           (1) 70 percent of such amounts shall be allo-  
20           cated for direct grants to units of local government  
21           and Indian tribal governments; and

22           (2) 30 percent of such amounts shall be allo-  
23           cated for direct grants to States.

1 (b) ALLOCATION BETWEEN LARGE AND SMALL LO-  
2 CALITIES AND INDIAN TRIBAL GOVERNMENTS.—Of the  
3 amounts allocated under subsection (a)(1)—

4 (1) 50 percent of such amounts shall be allo-  
5 cated for grants pursuant to applications submitted  
6 by units of local government or Indian tribal govern-  
7 ments having jurisdiction over areas with popu-  
8 lations exceeding 150,000; and

9 (2) 50 percent of such amounts shall be allo-  
10 cated for grants pursuant to applications submitted  
11 by units of local government or Indian tribal govern-  
12 ments having jurisdiction over areas with popu-  
13 lations of 150,000 or less.

14 **SEC. 6. RULES.**

15 Not later than 180 days after the date of the enact-  
16 ment of this Act, the Attorney General shall promulgate  
17 rules regarding the grant program authorized by this Act.

18 **SEC. 7. GAO REPORT.**

19 Not later than April 1, 2012, the Comptroller Gen-  
20 eral shall submit a report to Congress regarding the effec-  
21 tiveness of the grant program authorized by this Act as  
22 determined by the number of real estate fraud cases inves-  
23 tigated and prosecuted resulting from this Act.

1 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

2       There are authorized to be appropriated to carry out  
3 this Act \$100,000,000 for each of the fiscal years 2011  
4 and 2012.

